

**Return on Investment Program Funding Application (FY 2003 Request)**

This is an electronic template. Please enter your responses on this document. Only electronic submittals of this template will be accepted. Proposals submitted after the designated due date may not receive funding consideration.

FINAL AUDIT REQUIRED: The Enterprise Quality Assurance Office of the Information Technology Department is required to perform a final project outcome audit, after implementation, for all Pooled Technology funded projects.

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N**SECTION I: PROPOSAL**Date: 7/12/01Agency Name: Information Technology DepartmentProject Name: JetFormsExpenditure Name: JetFormsAgency Manager: Ken AdrianAgency Manager Phone Number / E-mail: 515-725-0367 ken.adrian@itd.state.ia.usExecutive Sponsor (Agency Director or Designee): Richard J. Varn**Request For ROI Application Waiver:**

Agencies are required to complete this funding application when requesting funds for any project, any IT expenditure costing over \$100,000, or any non-routine IT expenditure. If you feel there is compelling reason to waive this requirement, please provide (in the box provided below) a brief description of the project or expenditure, the budget amount, and a rationale for the waiver request. Until a decision is made regarding your waiver request, it is not necessary to complete any other portion of this application. The ITD Enterprise Quality Assurance Office will convey waiver request decisions within five working days of receipt.

Explanation: N/A**A. Project or Expenditure Rationale**

Is this project or expenditure necessary for compliance with a Federal standard, initiative, or statute? ☐ YES (If "YES," explain) ☒ NO

Explanation: N/A

Is this project or expenditure required by State statute? ☐ YES (If "YES," explain) ☒ NO

Explanation: The project helps satisfy the requirement for 100% E by 2003 but there is no specific statutory requirement for it.

Does this project or expenditure meet a health, safety or security requirement?

☐ YES (If "YES," explain) ☒ NO

Explanation: N/A

Is this project or expenditure necessary for compliance with an enterprise technology standard?

☒ **YES** (If "YES," explain) ☐ **NO**

Explanation: As electronic government is developed and implemented, an essential component is a standardized means of creating, completing, transmitting, and storing electronic forms. JetForms has been identified as the standard platform for on-line forms and workflow for the state.

Is this project or expenditure consistent with meeting the goals and objectives of the State's strategic plans?

☒ **YES** (If "YES," explain) ☐ **NO**

Explanation:

The use of Jetforms is essential to the successful development and implementation of the vision of 100% E by 2003 and is consistent with the goals of accountable government:

- Enhanced government access - citizen and business access to essential government transactions 24x7 when it is convenient for them

- Better data driven decisions without invasion of privacy - Controlled interaction of data elements between applications based on ITD standards

- Improved security and privacy of electronic transactions - One point of audit for security and compliance with ITD standards for electronic transactions.

It also complies with the Vilsack/Pederson Leadership Agenda requiring that state government "Provide information and services when and where they are convenient to Iowans"..

Is this a "research and development" project or expenditure? ☐ **YES** (If "YES," explain) ☒ **NO**

Explanation:

B. Project or Expenditure Summary

1. Provide a pre-project or pre-expenditure (before implementation) and a post-project or post-expenditure (after implementation) description of the impacted system or process. In particular, note if the project or expenditure makes use of information technology in reengineering traditional government processes.

Response:

Pre Project

Prior to the use of Jetforms, very few of the forms used within government, and used by government for citizen-facing applications were developed in electronic form. (The bulk of the forms printed by the ITD data center are developed and stored electronically and are printed on demand.) Forms represent about 83% of all business documents; for every \$1 spent on pre-printed forms, \$30 to \$60 is spent on processing the forms (including the manual entering of data into electronic systems); and about 1/3 of pre-printed forms are discarded due to obsolescence or completion errors.

Post Project

As state government works through reorganization and business process reengineering and begins to implement electronic government systems, the functions reliant upon the processing of paper forms, invoices, etc. should be replaced with automated systems and/or electronic processes whenever possible. The electronic forms supported by Jetform have the ability to reduce the bureaucracy associated with paper forms in addition to replacing them.

2. Summarize the extent to which the project or expenditure improves customer service to Iowa citizens or within State government. Included would be such items as improving the quality of life, reducing the government hassle factor, providing enhanced services, improving work processes, etc.

Response: Migrating to electronic forms and away from paper would reduce production and processing costs internally. Electronic forms will reduce or eliminate data entry costs and simplify the archival, searching and retrieving of documents.

It will provide greater opportunities for improving services to citizens by: a) supporting the customization and personalization of forms and documents; and b) significantly reduce the time citizens spend conducting business with state government by making forms, applications, etc. available over the Internet.

3. Identify the main project or expenditure stakeholders and summarize the extent to which each, especially citizens, is impacted. In particular, note if the project or expenditure helps reconnect Iowans to State government.

Response:

Information Technology Department - It is incumbent upon ITD to provide enterprise licensing for the Jetforms software, support Jetforms on a variety of computing platforms, and provide education and support for state agencies using Jetforms.

Other state agencies - Agencies will have a learning curve associated with the implementation of Jetforms in online applications. They will also need to reengineer internally to accommodate the collection, storage and archival of information in electronic form.

Citizens and business - The reduction of costs (tangible and intangible) for constituents of state government will be a significant milestone for the successful implementation of Jetforms.

SECTION II: PROJECT ADMINISTRATION

A. Agency Information

1. Project Executive Sponsor Responsibilities: The sponsor must have the authority to ensure that adequate resources are available for the entire project, that there is commitment and support for the project, and that the organization will achieve successful project implementation.

Response: No response required.

2. Organization Skills:

- a. List the project management skills necessary for successful project implementation
- b. List the project management skills available within the agency
- c. List the source(s) of project management skills lacking within the agency
- d. Summarize relevant agency project management experience and results

Response:

- a.
Enterprise coordination of e-government applications, electronic forms, and technical training.
- b.
E-Government Coordinator
Electronic Forms Coordinator
- c.
Technical Experts for Jetforms training
- d.
ITD facilitates the implementation and training educational services

B. Project Information

1. History:
 - a. Is this project the first part of a future, larger project? If so, please explain.
 - b. Is this project a continuation of a previously begun project? If so, please explain project history, current status, and results.

Response: The implementation of Jetforms is an essential part of 100%E by 2003. Achieving the vision of 100% E by 2003 is a strategic policy direction that has been set by the Governor with the support of the Information Technology Council and the Chief Information Officer.

The primary purpose in enabling electronic transactions is to make it easier for the customer first and secondarily for the service provider (department or other government agent). Transactions include exchanges of information or financial documents (payments or receipts) between customers or citizens and a government service provider. A request for more detailed information about a service through the submission of an electronic form is an example of an information exchange.

If the service involves a transaction (an exchange of value) in the form of direct service delivery, then systems must be created to electronically transfer documents and funds and verify the identify of the consumer, determine eligibility, deliver the service, account for the services delivered, and evaluate the effectiveness of the service. In this e-government environment, the State must be able to consistently and reliably create electronic forms and establish processes for fulfilling consumer requests and any other electronic submissions from citizens.

There is a three year action plan for 100%E. The three-year action plan includes fiscal years 2002, 2003, and 2004. The 100% E by 2003 effort refers to fiscal year 2004, which begins July 1, 2003 and ends June 30, 2004..

2. **Expectations:** Describe the primary purpose or reason for the project.

Response: Citizens expect to be able to transact their business with government using the Internet. To address this expectation, a significant migration to digital service delivery systems must be affected. This migration of government services to a digital service delivery system is being based on the needs of the customer. This customer focus assures that electronic services are the ones customers and citizens want, and that each step of the electronic-based service is constructed from the customer's point of view.

3. **Measures:** Describe the criteria that will be used to determine if the project is successful.

Response: Specified services and certain targeted citizen/government transactions will be constructed through the Internet

4. **Environment:** List the project participants (i.e. single agency, multiple agencies, State government enterprise, citizens, associations, or businesses, etc.).

Response: This is a project encompassing the State Government enterprise as well as the federal and local governmental entities.

5. Risk: Describe the project risks which may be internal or external to State government, i.e. implementing versus not implementing project, changing technology, potential cost overruns, changing citizen demand or need, etc.

Response:

Categories of Risk:

Not Implementing the Project - There will be a considerable loss of the public trust if state government does not effectively implement electronic services. Specifically not implementing Jetforms creates massive duplication of effort for agencies in establishing means and methods of generating electronic forms to support their e-government applications.

Changing technology - the shift in technology is from paper forms to electronic forms. Electronic forms present the data in electronic format, avoiding data entry costs. There is also a savings from not creating and handling paper as well as the cost associated with spoiled forms (damaged in storage or forms that have been changed by law or administrative rule, requiring all existing preprinted forms to be destroyed).

Cost Overruns - There is potential risk in requiring a standardized electronic form product such as Jetform if sufficient resources are not allocated to its deployment. The negative effect is enterprise-wide.

6. Security / Data Integrity / Data Accuracy / Information Privacy
- List the security requirements of the project
 - Describe how the security requirements will be integrated into the project and tested
 - Describe what measures will be taken to insure data integrity, data accuracy and information privacy.

Response: The implementation of Jetforms will be within the enterprise security architecture and framework already established. This provides a high degree of integrity in the data collected and provides for the privacy of the information. The use of electronic forms will also assure that correct versions of forms are available at all times.

7. Project Schedule
Describe general time lines, resources, tasks, checkpoints, deliverables, responsible parties, etc.

Response: The implementation of Jetforms needs to be essentially complete and available for use on an enterprise basis by 3rd Quarter FY2002. The initial implementation and training has already begun. Adoption of Jetforms as an enterprise e-gov standard is essentially complete. The ITD E-Government Coordinator will be responsible for the development and implementation of Jetform as an enterprise infrastructure component. The ITD E-Government Coordinator will require assistance from the ITD Operations Division and the ITD electronic forms coordinator.

SECTION III: TECHNOLOGY (In written detail, describe the following)

A. Current Technology Environment

1. Software (Client Side / Server Side / Midrange / Mainframe):

- a. Application software
- b. Operating system software
- c. Major interfaces to other systems, both internal and external

Response: The current technology environment does not include electronic forms software. This is a new implementation.

2. Hardware (Client Side / Server Side / Mid-range / Mainframe):

- a. Platform, operating system
- b. Storage and physical environment
- c. Connectivity and bandwidth
- d. Logical and physical connectivity
- e. Major interfaces to other systems, both internal and external

Response: N/A

B. Proposed Technology Environment

1. Software (Client Side / Server side / Mid-range / Mainframe)

- a. Application software
- b. Operating system software
- c. Major interfaces to other systems, both internal and external
- d. General parameters if specific parameters are unknown or to be determined

Response:

- a. In addition to the Jetforms software itself, it will require OS/SQL/ArcServe software.
- b. Windows OS

2. Hardware (Client Side / Server Side / Mid-range / Mainframe)

- a. Platform, operating system
- b. Storage and physical environment
- c. Connectivity and Bandwidth
- d. Logical and physical connectivity
- e. Major interfaces to other systems, both internal and external
- f. General parameters if specific parameters are unknown or to be determined

Response: The implementation of Jetforms will require 1 DL380 Compaq Proliant server and 6 DL580 Compaq Proliant servers, all running Windows 2000.

C. Data Elements

If the project creates a new database, provide a description of the data elements.

Response: N/A

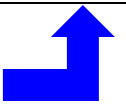
SECTION IV: Financial Analysis

A. Budget: Enter figures and calculate (see formula below) Total Annual Prorated Cost (State Share).

$$\left[\left(\frac{\text{Budget Amount}}{\text{Useful Life}} \right) \times \% \text{ State Share} \right] + (\text{Annual Ongoing Cost} \times \% \text{ State Share}) = \text{Annual Prorated Cost}$$

Budget Line Items	Budget Amount (1 st Year Cost)	Useful Life (Years)	% State Share	Annual Ongoing Cost (After 1 st Year)	% State Share	Annual Prorated Cost
Agency Staff	\$60000	4	100%	\$15000	100%	\$30000
Software	\$145979	4	100%	\$22197	100%	\$58691
Hardware	\$242782	3	100%	\$0	%	\$80927
Training	\$	4	%	\$	%	\$
Facilities	\$	1	%	\$	%	\$
Professional Services	\$	4	%	\$	%	\$
ITD Services	\$	4	%	\$	%	\$
Supplies, Maint, etc.	\$	1	%	\$	%	\$
Other (Specify)	\$	1	%	\$	%	\$
Totals	\$448761	-----	-----	\$37197	-----	\$169618

Transfer this amount to the ROI Financial Worksheet, item "D" on page 12.



B. Funding: Enter data or provide response as requested

1. This is (pick one): ☒ A Pooled Technology Fund or Reengineering Fund Request
☐ An Agency IT Expenditure or Budget Request (General Fund, Road Funds, etc)
☐ Other – Specify:

2. On a fiscal year basis, enter the estimated cost by funding source?

	FY03		FY04		FY05	
	Cost (\$)	% Total Cost	Cost (\$)	% Total Cost	Cost (\$)	% Total Cost
State General Fund	\$	%	\$	%	\$	%
Pooled Tech. Fund	\$448761	100%	\$	%	\$	%
Federal Funds	\$	%	\$	%	\$	%
Local Gov. Funds	\$	%	\$	%	\$	%
Grant or Private Funds	\$	%	\$	%	\$	%
Other Funds (Specify)	\$	%	\$	%	\$	%
Total Project Cost	\$448761	100%	\$	100%	\$	100%

If applicable, summarize prior fiscal year funding experience for the project / expenditure.

Response: N/A

1. On a fiscal year basis, how much of the total (\$ amount and %) project / expenditure cost would be absorbed by your agency from normal operating budgets (all funding sources)?

Response: None. This is an essential infrastructure and not a unique ITD expense.

2. Identify, list, and quantify all new annual ongoing (maintenance, staffing, etc.) related costs (State \$s) that will be incurred after implementation or expenditure.

Response: The maintenance on the Jetforms software is 18% of Purchase Price (123,317) or \$22,197 plus staff time of 15,000 to total 37,197.

C. ROI Financial Worksheet: Respond to the following and transfer data to the ROI Financial Worksheet (see IVC11) as necessary:

1. Annual Pre-Project Cost – Quantify all actual state government direct and indirect costs (personnel, support, equipment, etc.) associated with the activity, system or process prior to project implementation. This section should be completed only if state government operations costs are expected to be reduced as a result of project implementation.

Response: N/A - not being implemented as a cost saving measure.

2. Annual Post-Project Cost – Quantify all estimated State government direct and indirect costs associated with activity, system or process after project implementation. This section should be completed only if State government operations costs are expected to be reduced as a result of project implementation.

Response: N/A - not being implemented as a cost saving measure.

3. State Government Benefit -- Subtract the total “Annual Post-Project Cost” from the total “Annual Pre-Project Cost.” This section should be completed only if State government operations costs are expected to be reduced as a result of project implementation.

Response: N/A - not being implemented as a cost saving measure.

4. Citizen Benefit – Quantify the estimated annual value of the project to Iowa citizens. This includes the “hard cost” value of avoiding expenses (“hidden taxes”) related to conducting business with State government. These expenses may be of a personal or business nature. They could be related to transportation, the time expended on or waiting for the manual processing of governmental paperwork such as licenses or applications, taking time off work, mailing, or other similar expenses. As a “rule of thumb,” use a value of \$10 per hour for citizen time savings and \$.325 per mile for travel cost savings.

Response: To conservatively estimate, if you could save one-quarter of Iowa's 3 million citizens one hour per year and one 10 mile round trip (5 miles each way) to a state government location, the savings would be:
[(750,000 citizens) times (1 hour @ \$10/hour)] plus [(750,000 citizens) times (10 miles @ \$.325 per mile)] equals an annual savings of \$9,937,500.

5. Opportunity Value/Risk or Loss Avoidance Benefit – Quantify the estimated annual non-operations benefit to State government. This could include such items as qualifying for additional matching funds, avoiding the loss of matching funds, avoiding program penalties/sanctions or interest charges, avoiding risks to health/security/safety, avoiding the consequences of not complying with State or federal laws, providing enhanced services, avoiding the consequences of not complying with enterprise technology standards, etc.

Response: The opportunity value would almost entirely manifest itself in providing enhanced services to our constituents.

6. Total Annual Project Benefit -- Add the values of all annual benefit categories.

Response: \$9,937,500.

7. Total Annual Prorated Cost – It is necessary to estimate and assign a useful life figure to each cost identified in the project budget. Useful life is the amount of time that project related equipment, products, or services are utilized before they are updated or replaced. In general, the useful life of hardware is three (3) years and the useful life of software is four (4) years. Depending upon the nature of the expense, the useful life for other project costs will vary between one (1) and four (4) years. On an exception basis, the useful life of individual project

elements or the project as a whole may exceed four (4) years. Additionally, the ROI calculation must include all new annual ongoing costs that are project related. Completing Section IV-A, Project Budget of the evaluation document will provide all the necessary information for this item.

Response: \$169,618

8. Benefit / Cost Ratio_– Divide the “Total Annual Project Benefit” by the “Total Annual Project Cost.” If the resulting figure is greater than one (1.00), then the annual project benefits exceed the annual project cost. If the resulting figure is less than one (1.00), then the annual project benefits are less than the annual project cost.

Response: $\$9,937,500 / \$169,618 = 58.6$

9. ROI -- Subtract the “Total Annual Project Cost” from the “Total Annual Project Benefit” and divide by the amount of the requested State IT project funds.

Response: $[(\$9,937,500 - \$169,618) / \$448,761] = 21.76$

10. Benefits Not Readily Quantifiable -- List the project benefits which are not readily quantifiable (i.e. IT innovation, unique system application, utilization of new technology, hidden taxes, improving the quality of life, reducing the government hassle factor, meeting a strategic goal, etc.). Rate the importance of these benefits on a “1 – 10” basis, with “10” being of highest importance. Check the “Benefits Not Readily Quantifiable” box in the applicable row.

Response: The benefits not readily quantifiable would mainly fall into 2 categories: utilization of a new technology and reducing the govt. hassle factor.

11. ROI Financial Worksheet**Annual Pre-Project Cost - How You Perform The Function(s) Now**

FTE Cost (salary plus benefits):	\$
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	\$
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	\$
A. Total Annual Pre-Project Cost:	\$

Annual Post-Project Cost – How You Propose to Perform the Function(s)

FTE Cost:	\$
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	\$
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	\$
B. Total Annual Post-Project Cost:	\$
State Government Benefit (= A-B):	\$

Annual Benefit Summary

State Government Benefit:	\$
Citizen Benefit:	\$9937500
Opportunity Value or Risk/Loss Avoidance Benefit:	\$
C. Total Annual Project Benefit:	\$9937500
D. Annual Prorated Cost (SECTION IV-A):	\$169618
Benefit / Cost Ratio: (C / D) =	58.6
Return On Investment (ROI): (C – D) / Requested Project Funds) x 100 =	2176%

☐ **Benefits Not Readily Quantifiable**

Section V: ITC Project Evaluation Criteria

Criteria and Location in Project Evaluation Document		Points
1.	Is the project a statutory requirement; legal requirement; federal or state mandate; health, safety or security requirement or issue; and/or required for compliance with the enterprise technology standards? Location: Section I-A	15
2.	Will the project improve customer service? Location: Section I-B.2	15
3.	Does the project have a direct impact on citizens? To what extent does the project help reconnect state government with lowans? Location: Section I-B.3	10
4.	Does the project provide a sufficient tangible and/or intangible return on investment? Will it generate savings or income? Location: Section IV-C	10
5.	Does the project make use of information technology and its practical application in reengineering traditional government processes consistent with the goals and objectives of the state's strategic plans? Location: Section I-B.1	10
6.	Risk: What are the risks associated with the project? Such risks may include those internal and external to state government, the risk of doing a project, the risk of not doing a project, and the risks associated with changing technologies, potential cost overruns, and changing citizen demands and needs. Location: Section II-B.5	10
7.	Is this funding required to continue a project that was begun prior to the year funding is being requested for and does it have proven past performance? Is the funding part of a multi-year strategy? Location: Section II-B1, IVB2	10
8.	Will the project be for only one agency, multiple agencies, or the state government enterprise? Location: Section I-B3, IIB4	10
9.	Has the applicant maximized their own and other resources in the project? Is alternative funding unavailable for this project? (If no other funding available, project will not be completed without Pooled Technology funding) Location: Section IV-B.2, IV-B.3	5
10.	What is the credibility of the requester based on past performance on other projects? Location: Section II-A.2.d	5
Total		100